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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

RIVER CITY MEDIA, LLC, a Wyoming
limited liability company, MARK
FERRIS, an individual, MATT FERRIS,
an individual, and AMBER PAUL, an
individual,

Plaintiffs,

vs.

No. 2:17-cv-105-SAB

SUPPLEMENTAL AUTHORITIES IN
RESPONSE TO COURT QUESTION
POSED ON AUGUST 16, 2017 HEARING

SUPPLEMENTAL AUTHORITIES IN RESPONSE TO
COURT QUESTION POSED AT AUGUST 16, 2017
HEARING - PAGE 1

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1 KROMTECH ALLIANCE
 2 CORPORATION, a German corporation,
 3 CHRIS VICKERY, an individual, CXO
 4 MEDIA, INC., a Massachusetts
 5 corporation, INTERNATIONAL DATA
 6 GROUP, INC., a Massachusetts
 corporation, and STEVE RAGAN, an
 individual, and DOES 1-50,

7 Defendants.

8
 9 During the hearing on Wednesday, August 16, 2017, the Court inquired whether
 10 RCW § 23.95.505 applies in federal courts.¹ The answer is yes and no. It shuts the door
 11 on claims based on state law asserted in federal court. Accordingly, Plaintiff River City
 12 Media, LLC's ("RCM") fifth, sixth, seventh, eighth, ninth, and tenth causes of action
 13 should be dismissed. *See Amp Mgmt., LLC v. Scottsdale Ins. Co.*, No. 06-4079-SAC,
 14 2007 WL 677633, at *1-2 (D. Kan. Feb. 28, 2007); *De Sousa v. Embassy of Republic of*
 15 *Angola*, No. CV 16-367 (BAH), 2017 WL 3207701, at *5 (D.D.C. July 27, 2017). But
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 20 ¹ That statute provides that a "foreign entity doing business in this state may not maintain
 21 an action or proceeding in this state unless it is registered to do business in this state and
 22 has paid to this state all fees and penalties for the years, or parts thereof, during which it
 23 did business in this state without having registered." RCW § 23.95.505(5).
 24

1 so-called door-closing statutes do not apply in federal court to claims arising under
2 federal law. *See J & J Sports Prods., Inc. v. Rose's Dream, Inc.*, 818 F. Supp. 2d 1, 3-4
3 (D.D.C. 2010).

4
5 The question here is whether the Court is *Erie*-bound to apply RCW § 23.95.505 to
6 bar the use of the state's long-arm statute (RCW § 4.28.18) governing service of process
7 and personal jurisdiction. Plaintiffs relied on Washington's long-arm statute (RCW §
8 4.28.185) for service of process and personal jurisdiction. *See* Pls.' Opp. To Defs. IDG,
9 CXO, and Ragan's Mot. to Dismiss (ECF No. 23) at 5 (citing RCW § 4.28.185(1)).

10
11 We think that RCW § 23.95.505 shuts the door to RCM availing itself of *any* of
12 the state's benefits, including a legislative enactment such as the state's long-arm statute
13 (RCW § 4.28.18), which the federal rules incorporate and which would otherwise provide
14 the basis for the Court's personal jurisdiction. *See* Fed. R. Civ. P. 4(k)(1)(A). At a
15 minimum, the statute should be considered in evaluating the seven factors that the Ninth
16 circuit uses in evaluating reasonableness, including the fourth factor – “the forum state's
17 interest in the dispute” *Amoco Egypt Oil Co. v. Leonis Nav. Co.*, 1 F.3d 848, 851
18 (9th Cir. 1993).
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1 We could not find any case from the Ninth Circuit addressing the interplay of a
2 door-closing law with a state long-arm statute. There is one case from the Fifth Circuit
3 that rejected a similar argument but only because the corporate plaintiff on whom the
4 Mississippi law closed the door had cured the defect by registering and because its parent
5 corporation was joined as a plaintiff and had registered. *See ITL Int'l, Inc. v. Constenla,*
6 *S.A.*, 669 F.3d 493, 497 (5th Cir. 2012).

7
8 The only Washington federal case we could find was *Lake v. MTC Fin., Inc.*, No.
9 C16-1482JLR, 2017 WL 841752 (W.D. Wash. Mar. 3, 2017). There, the court
10 acknowledged that Section 23.95.505 limits a foreign entity's ability to sue but held that a
11 foreign entity not registered to do business in Washington could still *defend* a lawsuit
12 even if it could not bring a lawsuit. *See id.* at *2. Here, RCM is attempting to sue – not
13 defend – even though it is a foreign entity not registered to do business in Washington.

14
15 DATED this 21st day of August, 2017.

16
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Group, Inc., CXO Media, Inc. and Steve Ragan

1 I hereby certify that on August 21, 2017, I electronically filed the foregoing with
2 the Clerk of the Court using the CM/ECF System which will send notification of such
3 filing to the following:
4

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